
FOOD AND NUTRITION SERVICES CERTIFICATION**INCOME****Determining Benefit Levels**

FNS 285 Determining Benefit Levels**Change # 4-2016****October 1, 2016****285.01 DEDUCTIONS AND MAXIMUM ALLOWABLE RESOURCES****A. Standard Allowance For Utilities**

1. Heating and Cooling Standard Utility Allowance (SUA)
2. Non-Heating/Non-Cooling Basic Utility Allowance (BUA)
3. Telephone Utility Allowance (TUA)

Current SUA, BUA, and TUA Amounts			
Food and Nutrition Services Unit Size	SUA	BUA	TUA
1	\$374	\$226	\$33
2	\$411	\$248	\$33
3	\$452	\$273	\$33
4	\$493	\$298	\$33
5 or more	\$537	\$325	\$33

Roomers, boarders and foster children who are not included in the FNS unit and ineligible students are not included in the unit size for calculation of the standard allowance for utilities.

B. Standard Deduction

A standard deduction is allowed each Food and Nutrition Services unit (FNSU) each month according to household size. Only eligible FNSU members are included in the household size for calculation of the standard deduction. The amount is automatically calculated by NC FAST.

Effective October 1, 2016:

Household Size	Standard Deduction
1	\$157
2	157
3	157
4	168
5	197
6+	226

C. Earned Income Deduction

Twenty percent of earned income is deducted.

D. Maximum Allowable Resource Limits for Non-Categorically Eligible households

1. \$3,250 for FNSU's with a member age 60 or older or disabled.
2. \$2,250 for all FNSU's.

E. Dependent Care Deduction

Allow as a deduction any dependent care expenses incurred and payable for a dependent child or adult. Follow policy in Section 280.04 for dependent care deductions.

FOOD AND NUTRITION SERVICES CERTIFICATION**INCOME****Determining Benefit Levels**

F. Excess Shelter Deduction

The maximum excess deduction for FNSU's without a specified person is \$5¹⁷ each month. There is no limit for FNSU's with a specified person as defined in Section 210, Household Concept.

285.02 MAXIMUM MONTHLY INCOME AND ALLOTMENT**A. Maximum Monthly Income - Effective October 1, 201⁶:**

Food and Nutrition Services Unit Size	200% Maximum Allowable Gross Income Limit	130% Maximum Allowable Gross Income Limit	Maximum Allowable Net Income
1	\$19 ⁸⁰	\$12 ⁸⁷	\$9 ⁹⁰
2	\$26 ⁷⁰	\$17 ³⁶	\$13 ³⁵
3	\$33 ⁶⁰	\$21 ⁸⁴	\$16 ⁸⁰
4	\$40 ⁵⁰	\$26 ³³	\$20 ²⁵
5	\$47 ⁴⁰	\$30 ⁸¹	\$23 ⁷⁰
6	\$5430	\$35 ³⁰	\$2715
7	6122	3980	3061
8	6816	4430	3408

Each additional member

(+) \$ 694

(+) \$451

(+) \$ 347

B. Maximum Allotment - Effective October 1, 201⁶ to September 30, 201⁷

Food and Nutrition Services Unit Size	Maximum Allotment
1	\$194
2	357
3	511
4	649
5	771
6	925
7	1022
8	1169

Each additional member

(+) \$ 146

285.03 INCOME STANDARDS FOR SEPARATE FOOD AND NUTRITION SERVICES UNIT STATUS

Certain elderly and disabled persons may be granted separate FNSU status when living with others, if the income of the people with whom they reside does not exceed the maximum allowable monthly amounts shown below. Refer to Section 210, Household Concept, for further instructions.

Effective October 1, 201⁶:

Food and Nutrition Services Unit Size	Gross Monthly Income
1	\$16 ³⁴
2	2 ²⁰³
3	2 ⁷⁷²
4	33 ⁴²

FOOD AND NUTRITION SERVICES CERTIFICATION**INCOME****Determining Benefit Levels**

5	3911
6	4480
7	5051
8	5623

Each additional member

(+) \$ 572

285.04**CALCULATION OF BENEFIT LEVEL****A. General Policy**

Use the DSS-1700, Application Worksheet, to manually determine the monthly allotment:

1. When there is a system failure; **or**
2. To prepare a trial budget. See DSS-1700 instructions in 285.04, D.

B. Income Eligibility Standards

Use the gross and net income eligibility standards to determine the eligibility of the FNSU. These standards are based on the monthly countable income of the FNSU and are shown in 285.02, A.

1. FNSU's without a specified member are subject to the gross and net income eligibility standards.
2. FNSU's with a specified person as defined in Section 210, Household Concept, are subject only to the net income eligibility standard.
3. Categorically eligible FNSU's are not subject to the gross or net income eligibility standards.

C. Conversion

1. When appropriate, convert income and expenses to a monthly amount if the income is received or the expense is billed:
 - a. More frequently than monthly, such as weekly or every two weeks; **and**
 - b. They are expected to continue for the entire month.
2. Convert the income and/or expenses to a monthly amount by multiplying:
 - a. Weekly amounts by 4.3; **or**
 - b. Bi-weekly (every 2 weeks) amounts by 2.15; **or**
 - c. Semi-monthly (twice per month) amounts by 2.

D. Instructions for completing DSS-1700

1. Determine gross countable monthly earned income. See Integrated Eligibility Manual. (Lines 1-4)
2. Add any non-excluded income received from educational aid. See Integrated Eligibility Manual. (Lines 5-8)

FOOD AND NUTRITION SERVICES CERTIFICATION**INCOME****Determining Benefit Levels**

3. Add gross monthly unearned income. See Integrated Eligibility Manual. (Line 9)
4. Enter farm loss from Line 3. (Line 10)
5. Subtract line 10 from line 9. (Line 11)
6. **RESULT:** Gross monthly income. Except for FNSU's with a specified person as defined in Section 210, Household Concept, if this amount is more than the gross income eligibility limit, deny or terminate the case. If less than the limit, continue on to 7. (Line 12)
7. Multiply line 4, gross monthly earned income, by 20%, the earned income deduction. See 285.01, C. (Line 13)
8. Enter the monthly standard deduction based on the FNSU household size. See 285.01, B. (Line 14)
9. If applicable, subtract allowable medical expenses. See Integrated Eligibility Manual. (Line 15-17)
10. Enter allowable dependent care expenses. See Integrated Eligibility Manual. (Line 18)
11. Enter legally obligated child support. See Integrated Eligibility Manual. (Line 19)
12. Add lines 13, 14, 17, 18 and 19. (Line 20)
13. Subtract line 20 from line 12. **RESULT:** Net monthly income after all allowable deductions except shelter expenses. (Line 21)
14. Total shelter and utility expenses. See Integrated Eligibility Manual. (Line 22)
15. Divide line 21 by line 2. (Line 23)
16. Subtract line 23 from line 22. (Line 24)
17. Subtract line 24 from line 21. **RESULT:** Net monthly income after all allowable deductions. If this amount is more than the net income eligibility limit, deny or terminate the case. If less than the limit, continue on to 18. (Line 25)
18. Enter maximum allotment for FNSU size. (Line 26)
19. Multiply line 25 by 30%. (Line 27)
20. Subtract line 27 from line 26. **RESULT:** Food and Nutrition Services allotment. Round down and prorate according to 285.04, F., if applicable, for initial applications and reapplications. (Line 28)

All one and two-person FNSU's must receive a minimum monthly allotment of \$16 before proration of the initial monthly allotment.

Refer to [Figure 285-1](#) for an example of a completed DSS-1700, Application Worksheet.

NOTE: Allotments of \$1, \$3, and \$5 are **rounded up** to \$2, \$4, and \$6, respectively, for issuance purposes.

FOOD AND NUTRITION SERVICES CERTIFICATION

INCOME

Determining Benefit Levels

F. Proration of Initial Month's Benefits

1. NC FAST automatically prorates from the date of application. In some instances, proration is not applicable. NC FAST will prorate based on how information is entered into the system. The first month's benefits are not prorated when:
 - a. Adding a new member to a participating FNSU.
 - b. A migrant or seasonal FNSU participated in the Food and Nutrition Services Program for any part of the benefit month prior to the month of application.
 - c. An application for recertification is reopened because it is determined that information was provided within the first 30 days.
2. For manual calculations, use the formula in 285.04, F. 3.
 - a. Use a standard 30-day calendar month. A FNSU applying on the 31st of a month is treated as though it applied on the 30th.
 - b. When an application is denied because of a FNSU delay, reopen the application if the FNSU takes the required action within 30 days of the denial. Consider the month that the application is reopened the initial month. For proration purposes, change the date of application to the date the information is received.

3. Determine manually the amount of the prorated allotment using the following formula.

$$\frac{(31 - \text{Date of Application}) \times \text{Full Month's Benefits}}{30} = \text{Prorated Allotment}$$

- a. Subtract the date of application from 31.
- b. Multiply the result by the full monthly allotment.
- c. Divide the product by 30. **Round down** to the nearest dollar.

EXAMPLE: A FNSU's date of application is the 18th and the monthly allotment is \$256. The computation is:

$$\frac{(31 - 18) \times 256}{30}$$

31	256	
-18	<u>x13</u>	3328 Divided by 30 = 110.93
13	3328	= 110.00 Prorated Allotment

4. If the prorated allotment is less than \$10, issue no benefits for the initial month. If the allotment prorates to zero, **do not deny** the application.